

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

BLUE TELESCOPE, INC.,

Plaintiff & Counter-Defendant

v.

MIRROR SHOW MANAGEMENT INC., and
OBSCURA DIGITAL INCORPORATED.

Defendants;

(And MIRROR SHOW – Counter-Plaintiff)

Civil Act. No. 10 – CV – 1176

Plaintiff & Counter-Defendant's

**ANSWER
AND
AFFIRMATIVE DEFENSES
TO COUNTER-CLAIM**

Counter-Defendant, Blue Telescope, Inc. (“Blue Telescope” or “Counter-Defendant”) by and through its attorneys as and for its Answer and Affirmative Defenses to Mirror Show Management, Inc.’s (“Mirror Show” or Counter-Plaintiff”) Counterclaims, states as follows:

**FIRST COUNTERCLAIM
AGAINST PLAINTIFF FOR TORTIOUS INTERFERENCE**

1. Blue Telescope admits the allegations of Paragraph 147 of the First Counterclaim.
2. Blue Telescope denies the allegations of Paragraph 148 of the First Counterclaim.
3. Blue Telescope denies the allegations of Paragraph 149 of the First Counterclaim.
4. Blue Telescope denies the allegations of Paragraph 150 of the First Counterclaim.
5. Blue Telescope denies the allegations of Paragraph 151 of the First Counterclaim.

6. Blue Telescope denies the allegations of Paragraph 152 of the First Counterclaim.

SECOND COUNTERCLAIM
AGAINST PLAINTIFF FOR CANCELLATION OF UNLAWFUL COPYRIGHT

7. Blue Telescope admits the allegations of Paragraph 153 of the Second Counterclaim.

8. Blue Telescope denies the allegations of Paragraph 154 of the Second Counterclaim.

9. Blue Telescope denies the allegations of Paragraph 155 of the Second Counterclaim.

10. Blue Telescope denies the allegations of Paragraph 156 of the Second Counterclaim.

11. Blue Telescope denies the allegations of Paragraph 157 of the Second Counterclaim.

12. Blue Telescope denies each and every allegation contained in the Counterclaims not heretofore admitted, controverted or denied.

COUNTER-DEFENDANT'S FIRST AFFIRMATIVE DEFENSE

13. Blue Telescope as and for a First Affirmative Defense avers that Counter-Plaintiff is barred from bringing its claim for tortious interference as Counter-Plaintiff's as a result of the litigation privilege.

COUNTER-DEFENDANT'S SECOND AFFIRMATIVE DEFENSE

14. Blue Telescope as and for a Second Affirmative Defense avers that Counter-Plaintiff is estopped from bringing its claim for tortious interference as Counter-Plaintiff's own actions and omissions necessitated the allegedly tortious notice to and the

involvement of such third parties in order to protect and asset Blue Telescope equal or greater rights.

COUNTER-DEFENDANT'S THIRD AFFIRMATIVE DEFENSE

15. Blue Telescope as and for a Third Affirmative Defense avers that Counter-Plaintiff's claims fail to state a claim upon which relief may be granted and all counterclaims must be dismissed.

COUNTER-DEFENDANT'S FOURTH AFFIRMATIVE DEFENSE

16. Blue Telescope as and for a Fourth Affirmative Defense avers that Counter-Plaintiff's claims are barred as a result of Counter-Plaintiff's unclean hands.

WHEREFORE, Blue Telescope requests that this Court grant the following relief:

1. All such relief as previously requested in its Complaint;
2. Dismissing Counter-Plaintiff's Counterclaims against Blue Telescope in their entirety;
3. Blue Telescope's additional costs in defending against frivolous counterclaims and Affirmative Defenses not properly investigated; and
4. Such other and further relief as the Court deems just and proper.

Respectfully submitted,

THE MCHATTIE LAW FIRM

By: Christopher J. McHattie /S/

Christopher J. McHattie, Esq. (CJM8632)
The McHattie Law Firm
161 Boulevard
Mountain Lakes, NJ 07046
(973) 492-5500
mchattie@optonline.net
Attorney for Plaintiff Blue Telescope, Inc.

Dated: July 23, 2010

CERTIFICATION OF SERVICE

I, CHRISTOPHER J. MCHATTIE, hereby certify as follows:

1. I am an attorney at law admitted to practice in the Southern District Federal Court of New York with offices at 161 Boulevard, Mountain Lakes, New Jersey 07046.

2. On July 29, 2010 I served a copy of: Blue Telescope's Answer and Affirmative Defenses on: Ms. Sharon P. Stiller, Esq., Abrams, Fensterman, Fensterman, Eisman, Greenberg, Formato & Einiger, LLP, 45 Exchange Blvd., Suite 275, Rochester, New York 14614; and Mr. Michael Schrag, Esq., 1816 Fifth Street, Berkeley, California 94710 via the ECF filing system and email.

I declare under penalty of perjury that the foregoing statements are true and correct.

By: Christopher J. McHattie /S/
Christopher J. McHattie, Esq.

Dated: Thursday, July 29, 2010